

Approved: May 22, 2015



**Trustees of Trust Funds
Meeting Minutes
Friday, April 17, 2015
Conference Room, Merrimack Town Hall, East Wing**



The meeting was called to order at 8:40 a.m. Trustees present were Balcom, Wilkes and Christensen. Also present were representatives from Cambridge Trust: President Susan Martore-Baker, Senior Vice President Eric Jussaume and Trust Officer Judy Noel.

Mr. Jussaume reviewed several factors affecting the fixed income investment portfolio including activities of the Federal Reserve, and the effects of other markets on our portfolio. Our capital reserve funds investment strategy limited by statute, so we concentrated some on our laddering and timing of when monies move in and out of the funds. It was noted that, occasionally we may show negative income as occurred in Town funds in March. This was because when there is a concentration of maturity dates we may temporarily have cash and management fees but less than routine income. While we understand this, for the future it was agreed that maturities should be reconsidered and planned to avoid an appearance of negative income.

On Town funds we agreed that between July 1 and May 30, we could invest in 6 and 9 month CD's for example, to reduce our cash position until we need about \$1.3MM in June. It was noted that we usually receive a similar amount in December as cash comes in from property taxes.

On School funds, we agreed that \$100,000 should be a minimum cash amount. We noted that the School District voted to close the Asbestos Removal fund and place a like amount in the general school repair CRF. It is expected that this will be in two transactions rather than an internal transfer for the school's paper trail requirements.

We expect to receive additional funds for investment in the MVD reserve funds as a result of their annual meeting. The MVD is discussing new wells with the shutdown of well #6. Timing of fund needs for this is not known at this time.

The Scholarship funds are performing as planned. The S & P 500 was essentially flat for the first quarter of calendar 2015, but, as we are invested for dividend income rather than being aggressive growth, our goals are being met.

At this point, The Cambridge Trust representatives left the meeting.

On a motion by Wilkes, second by Balcom, the minutes of March 20, 2015 were approved, 3-0-0.

On a motion by Wilkes, second by Balcom, \$50.00 was approved for payment to the School District for a stipend for the Watkins Prize Spelling Contest, 3-0-0.

A general discussion of threw ABCS portfolios followed. No new changes were authorized. It was agreed that a line and footnote should be added to the MS-9/10 reports to show encumbered funds.

A motion by Balcom, second by Wilkes to adjourn at 10:05 am passed 3-0-0.

Respectfully submitted,

Chris Christensen
Trustee Secretary/Treasurer